

Washington, DC – Congressman Joe Sestak voted today to increase domestic oil and natural gas production to lower prices. The Drill Responsibly in Leased Lands Act (H.R. 6515) will increase domestic oil supply by speeding development of the National Petroleum Reserve-Alaska (NPRA), reinstating a ban on the foreign export of Alaskan oil, requiring oil and gas companies to drill on the leases they already have or relinquish them so another company can produce on them, and calling on the President to facilitate the construction of Alaskan pipelines, to move more oil and gas product to the domestic market. The bill failed to pass the House today under suspension with the condition that two-thirds of members vote for the bill. The final vote was 244-173. — “While producing more oil is only one part of the long-term solution to our energy crisis, we need to take action that gives Americans relief from high fuel prices in the short-term,” said Congressman Sestak. “This bill would do just that: promote the diligent development of our abundantly available oil and gas resources for America, to increase supply now for a timely impact on high gas prices.”

To take advantage of the National Petroleum Reserve-Alaska (NPRA), the bill mandates annual lease sales for five years. Even though NPRA has more oil than the Arctic National Wildlife Refuge (ANWR) – NPRA contains an estimated 10.6 billion barrels to ANWR’s 10.4 billion barrels – and has been open to drilling for 26 years, only four lease sales have been made since 1999. Since NPRA is already designated for oil and gas production and ANWR is protected by law from drilling as an environmental preservation area, facilitating production in NPRA can increase American supply four to six years faster than ANWR.

In addition to the supply available in NPRA, drilling on the 68 million leased, but unused, federal acres can nearly double domestic oil production and cut oil imports by one-third. These unexplored areas account for 75 percent of federally leased land. To encourage development, this Act includes a provision taken from the Responsible Federal Oil and Gas Lease Act of 2008, which Congressman Sestak cosponsored, to require oil companies to give up unused properties before obtaining any new leases, allowing another firm to develop those resources.

Other provisions address the value of moving oil and natural gas from Alaska to accelerate the impact of increased production on energy prices. For instance, the bill requires the Secretary of Transportation to facilitate the pipeline infrastructure necessary to bring oil fields in NPRA online. Presently, available pipelines only reach to within five miles of NPRA.

The bill would also direct the President to work with the Canadian government, the state of Alaska, and oil and gas companies to facilitate construction of an Alaska natural gas pipeline. This pipeline, initially proposed in 1976, received \$18 billion in loan guarantees from Congress in 2004, but remains incomplete. Once fully online, it would yield a daily supply of four billion cubic feet of natural gas, or almost 7% of current U.S. consumption. This pipeline is critical to

our energy security and will create good-paying American jobs.

Finally, this legislation reinstates the Alaskan export ban that was in place from 1973 to 1995, to ensure that American oil goes to the American people. In 2000, about 7% of crude oil production from the Alaskan North Slope was exported to South Korea, Japan, and China.

“This legislation is part of an important effort to increase our energy supply, but China and India will continue to raise global demand and the United States still has only 1.6 percent of the world’s known oil supply,” said Congressman Sestak. “We must not lose focus on the need to decrease our dependence on oil by improving conservation – building on recent legislation to enhance our fuel standards, our electric grid, our building codes, and our public transportation infrastructure – and by supporting the development of alternative energy, giving businesses and individuals incentives to research, produce and use sources besides oil.”

Congressman Sestak has emphasized the need for a comprehensive near, middle, and long-term framework to address our national energy crisis. In the short-term, we must combat unwarranted speculation on financial markets. This speculation has increased five-fold in the last five years. Congressman Sestak voted for two bills to both curb speculation and ensure that companies do not engage in price gouging. Second, we need to increase the value of our currency by working under a pay-as-you-go government to bring down our national debt and restore confidence in the dollar. If we increase the value of the dollar by just 10 percent, experts say we can lower the price of oil by more than 10%. Third, it is our responsibility to conserve energy use by promoting all options for increased energy efficiency.

In the middle and long term, but starting now, we must transition to a clean energy economy, including supporting sequestration of coal and advocating a responsible use of nuclear power, once the proper safety standards are ensured and the dispute over Yucca Mountain is resolved.

Congressman Sestak has also voted to redirect \$16.1 billion of tax benefits for oil and gas companies into investments in alternative energy. He helped pass the Renewable Energy and Job Creation Act of 2008, which includes \$18 billion in tax incentives for renewable energy. By promoting research and use of cellulosic and switchgrass ethanol, wind and solar power, geothermal power, and plug-in hybrid vehicles, among other incentives, the United States can

lead the way in alternative energy and energy independence.

Born and raised in Delaware County, former 3-star Admiral Joe Sestak served in the Navy for 31 years and now serves as the Representative from the 7th District of Pennsylvania. He led a series of operational commands at sea, including Commander of an aircraft carrier battle group of 30 U.S. and allied ships with over 15,000 sailors and 100 aircraft that conducted operations in Afghanistan and Iraq. After 9/11, Joe was the first Director of "Deep Blue," the Navy's anti-terrorism unit that established strategic and operations policies for the "Global War on Terrorism." He served as President Clinton's Director for Defense Policy at the National Security Council in the White House, and holds a Ph.D. in Political Economy and Government from Harvard University. According to the office of the House Historian, Joe is the highest-ranking former military officer ever elected to the U.S. Congress.